

2013 DRAFTING REQUEST

Bill

Received: **2/25/2013** Received By: **jkreye**
Wanted: **As time permits** Same as LRB:
For: **Revenue** By/Representing: **mike wagner**
May Contact: Drafter: **jkreye**
Subject: **Tax, Other - miscellaneous** Addl. Drafters:
Extra Copies:

Submit via email: **YES**
Requester's email: **MichaelW.Wagner@revenue.wi.gov**
Carbon copy (CC) to: **joseph.kreye@legis.wisconsin.gov**

Pre Topic:

No specific pre topic given

Topic:

DOR's technical bill

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 3/6/2013	jdyer 3/27/2013	jfrantze 3/27/2013	_____			
/P1	jkreye 4/15/2013			_____	srose 3/27/2013		State Tax
/P2	jkreye 4/16/2013	jdyer 4/16/2013	rschluet 4/16/2013	_____	sbasford 4/16/2013		State Tax
/P3	jkreye	jdyer	rschluet	_____	sbasford		State

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
.	4/24/2013	4/17/2013	4/17/2013	_____	4/17/2013		Tax
/1		jdye 4/24/2013	jfrantze 4/24/2013	_____	sbasford 4/24/2013	lparisi 4/24/2013	State Tax

FE Sent For:

<END>

At
Intro.

2013 DRAFTING REQUEST

Bill

Received: **2/25/2013** Received By: **jkreye**
Wanted: **As time permits** Same as LRB:
For: **Revenue** By/Representing: **mike wagner**
May Contact: Drafter: **jkreye**
Subject: **Tax, Other - miscellaneous** Addl. Drafters:
Extra Copies:

Submit via email: **YES**
Requester's email: **MichaelW.Wagner@revenue.wi.gov**
Carbon copy (CC) to: **joseph.kreye@legis.wisconsin.gov**

Pre Topic:

No specific pre topic given

Topic:

DOR's technical bill

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 3/6/2013	jdyer 3/27/2013	jfrantze 3/27/2013	_____			
/P1	jkreye 4/15/2013			_____	srose 3/27/2013		State Tax
/P2	jkreye 4/16/2013	jdyer 4/16/2013	rschluet 4/16/2013	_____	sbasford 4/16/2013		State Tax
/P3	jkreye	jdyer	rschluet	_____	sbasford		State

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
	4/24/2013	4/17/2013	4/17/2013	_____	4/17/2013		Tax
/1		jdye	jfrantze	_____	sbasford		State
		4/24/2013	4/24/2013	_____	4/24/2013		Tax

FE Sent For:

<END>

2013 DRAFTING REQUEST**Bill**

Received: **2/25/2013** Received By: **jkreye**
 Wanted: **As time permits** Same as LRB:
 For: **Revenue** By/Representing: **mike wagner**
 May Contact: Drafter: **jkreye**
 Subject: **Tax, Other - miscellaneous** Addl. Drafters:
 Extra Copies:

Submit via email: **YES**
 Requester's email: **MichaelW.Wagner@revenue.wi.gov**
 Carbon copy (CC) to: **joseph.kreye@legis.wisconsin.gov**

Pre Topic:

No specific pre topic given

Topic:

DOR's technical bill

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 3/6/2013	jdyer 3/27/2013	jfrantze 3/27/2013				
/P1	jkreye 4/15/2013	1 4/24 jld	96 4/24		srose 3/27/2013		State Tax
/P2	jkreye 4/16/2013	jdyer 4/16/2013	rschluet 4/16/2013		sbasford 4/16/2013		State Tax
/P3		jdyer	rschluet		sbasford		State

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
		4/17/2013	4/17/2013	_____	4/17/2013		Tax

FE Sent For:

<END>

2013 DRAFTING REQUEST

Bill

Received:	2/25/2013	Received By:	jkreye
Wanted:	As time permits	Same as LRB:	
For:	Revenue	By/Representing:	mike wagner
May Contact:		Drafter:	jkreye
Subject:	Tax, Other - miscellaneous	Addl. Drafters:	
		Extra Copies:	

Submit via email: **YES**
 Requester's email: **MichaelW.Wagner@revenue.wi.gov**
 Carbon copy (CC) to: **joseph.kreye@legis.wisconsin.gov**

Pre Topic:

No specific pre topic given

Topic:

DOR's technical bill

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 3/6/2013	jdyer 3/27/2013	jfrantze 3/27/2013	_____			
/P1	jkreye 4/15/2013	<i>P3 4/17 jld</i>		_____	srose 3/27/2013		State Tax
/P2		jdyer 4/16/2013	rschuet 4/16/2013	_____	sbasford 4/16/2013		State Tax

4/17/13

FE Sent For:

<END>

2013 DRAFTING REQUEST

Bill

Received: **2/25/2013** Received By: **jkreye**
 Wanted: **As time permits** Same as LRB:
 For: **Revenue** By/Representing: **mike wagner**
 May Contact: Drafter: **jkreye**
 Subject: **Tax, Other - miscellaneous** Addl. Drafters:
 Extra Copies:

Submit via email: **YES**
 Requester's email: **MichaelW.Wagner@revenue.wi.gov**
 Carbon copy (CC) to: **joseph.kreye@legis.wisconsin.gov**

Pre Topic:

No specific pre topic given

Topic:

DOR's technical bill

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye 3/6/2013	jdyer 3/27/2013	jfrantze 3/27/2013	_____			
/P1				_____	srose 3/27/2013		State Tax

Handwritten notes: P2, 4, 16, jld, 11/13, 3/27

FE Sent For:

<END>

2013 DRAFTING REQUEST

Bill

Received:	2/25/2013	Received By:	jkreye
Wanted:	As time permits	Same as LRB:	
For:	Revenue	By/Representing:	mike wagner
May Contact:		Drafter:	jkreye
Subject:	Tax, Other - miscellaneous	Addl. Drafters:	
		Extra Copies:	

Submit via email: **YES**
 Requester's email: **MichaelW.Wagner@revenue.wi.gov**
 Carbon copy (CC) to: **joseph.kreye@legis.wisconsin.gov**

Pre Topic:

No specific pre topic given

Topic:

DOR's technical bill

Instructions:

See attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	jkreye	P1 3/27 jld	63/27	ph			

FE Sent For:

<END>

Kreye, Joseph

From: Wagner, Michael W - DOR <MichaelW.Wagner@revenue.wi.gov>
Sent: Monday, February 25, 2013 11:37 AM
To: Kreye, Joseph; Gibson-Glass, Mary
Subject: DOR Technical Legislation Draft Request

Joe and Mary,

Attached are DOR's drafting instructions for a technical bill that we will be pursuing this session. Since this bill covers several areas, I am not sure which drafters will be working on it. But I suspect that Joe will work on the income tax provisions and that Mary will have the lottery item.

I thought it would be helpful to explain what we are trying to do before our proposed drafting instructions; hence the summaries by each item.

The effective date can be the day after publication for all items except the field audit deposit item (first day of the third month after publication).

Please let me know if you have any questions.

Thanks for your help.

Regards,

Mike Wagner
Legislative Advisor, Dept. of Revenue
(608) 266-7817



CONFIDENTIALITY NOTICE: This electronic mail transmission and any accompanying documents contain information belonging to the sender which may be confidential and legally privileged. This information is only for the use of the individual or entity to whom this electronic mail transmission was intended. If you are not the intended recipient, any disclosure, copying, distribution, or action taken in reliance on the contents of the information contained in this transmission is strictly prohibited. If you have received this transmission in error, please immediately contact the sender and delete the message. Thank you.

-Prize claim clarification (Lottery): Lottery players have 180 days from the date of the number drawing to claim their prize. The time for redemption of a scratch ticket is 180 days after the end of the game is announced. However, since Powerball, Mega Millions, and other lotto games have no foreseeable ending dates, the current statute that reads "within 180 days after the drawing...or within 180 days after the game's end date...whichever is later," which could lead some to challenge the Lottery and claim an indefinite prize claim date for lotto games.

Drafting instructions:

Amend sec. 565.30(3)(a), Wis. Stats., as follows: "Period to claim. The holder of a winning lottery ticket or lottery share may claim a prize within 180 days after the drawing or other selection in which the prize is won or within 180 days after the game's end date, as determined by the administrator, whichever is later for instant lottery games or within 180 days after the drawing or other selection in which the prize is won, as determined by the administrator, for on-line lottery games."

-Update motor fuel definition of "bulk plant" (Excise Tax): The definition of bulk plant under sec. 78.005(3), Wis. Stats., is outdated and does not meet current business practices. DOR recommends removing the 25 mile and 4,200 gallon limits from these sections

Drafting instructions:

277
Amend sec. 78.005 (3), Wis. Stats., as follows: "Bulk plant" means a motor vehicle fuel storage facility, other than a terminal, that is primarily used to redistribute motor vehicle fuel by vehicle.s ~~that have a capacity of 4,200 gallons or less.~~"

Amend sec. 78.09 (6), Wis. Stats., as follows: "~~Subject to gallonage limits and other conditions established by the department, the department shall provide for the payment of the tax imposed by this subchapter by a person importing motor vehicle fuel from a bulk plant in a vehicle capable of carrying not more than 4,200 gallons if the destination of that vehicle is no more than 25 miles from~~ originating from outside the border of this state."

Amend sec. 78.09 (7), Wis. Stats., to read: "~~Subject to gallonage limits and other conditions established by the department, the department shall provide for export by and the certification for exemption from the tax imposed by this subchapter to a wholesale distributor exporting motor vehicle fuel out of a bulk plant in a vehicle capable of carrying not more than 4,200 gallons if the destination of that vehicle is no more than 25 miles from~~ is outside the border of this state."

-Increase underpayment interest tolerance from \$200 to \$500 (Income Tax). This would result in fewer taxpayers paying the UPI penalty.

Drafting instructions:

✓ Amend sec. 71.09(11)(a), Wis. Stats., to read: "The tax shown on the return or, if no return is filed, the tax, minus amounts withheld under subch. X, is less than ~~\$200~~ \$500."

-Allow deposits on pending field audits but limit interest requirement for deposits in excess of the debt owed (Income Tax). Currently, those facing a field audit may not make a deposit, but allowing a deposit would stop potential interest owed by the taxpayer from accruing on a potential debt. However, in creating this option, there would be an incentive to excessively contribute to a deposit because if the eventual debt is less than the deposit, DOR must refund the taxpayer the remainder + 9% interest. DOR would like to create the deposit alternative but without the requirement to pay interest on excessive deposits for those undergoing field audits.

Drafting instructions:

✓ 1. Create sec. 71.74(2)(d), Wis. Stats. as follows: "At any time while the department is conducting a field audit and before a final determination is issued by the department, the taxpayer may make a deposit with the department for all or any portion of the estimated amount of additional taxes, penalties and interest that will result ^{from} for the field audit. Amounts deposited under this subsection shall be subject to interest provided by s. 71.82 only to the extent of the interest accrued up to the date of deposit. ^{after} Once the taxpayer makes this deposit, no portion of the deposit shall be refunded to the taxpayer until final determination in the field audit. The department shall, upon final determination of the field audit, refund to the taxpayer any portion of the deposit ^{which} ~~which~~ exceeds the additional amount due as determined in the field audit. No interest shall be paid on the refund of any such deposit, regardless of when the refund is paid."

✓ 2. Renumber sec. 77.59(2) to 77.59(2)(a) and create sec. 77.59(2)(b), Wis Stats. as follows: "At any time while the department is conducting a field audit and before a final determination is issued by the department, the taxpayer may make a deposit with the department for all or any portion of the estimated amount of additional taxes, penalties and interest that will result ^{from} for the field audit. Amounts deposited under this subsection shall be subject to interest provided by s. ~~77.60~~ only to the extent of the interest accrued up to the date of deposit. ^{after} Once the taxpayer makes this deposit, no portion of the deposit shall be refunded to the taxpayer until a final determination in the field audit. The department shall, upon final determination of the field audit, refund to the taxpayer any portion of the deposit ^{which} ~~which~~ exceeds the additional amount due as determined in the field audit. No interest shall be paid on the refund of any such deposit, regardless of when the refund is paid."

✓ 3. Amend secs. 77.60(1)(a), 78.68(1), 139.25(1), and 139.44(9), Wis. Stats. as follows: "Section 77.60(1)(a) Except as provided in par. (b), unpaid taxes shall bear interest at the rate of 12% per year from the due date of the return until paid or deposited with the department. Except as otherwise specifically provided [or Except as provided in 77.59(2)], ~~taxes~~ refunded to the seller shall bear interest at 9% per year from the due date of the return to the date on which the refund is certified on the refund rolls. An extension of time within which to file a return shall not extend the due date of the return for purposes of interest computation. Except as otherwise specifically provided in [or except as provided in s. 77.59(2)], ~~taxes~~ refunded to the buyer shall bear interest at 9% per year from the last day of the month following the month during which the buyer paid the tax to the date on which the refund is certified on the refund rolls.

✓ Section 78.68(1) Unpaid taxes shall bear interest at the rate of 12% per year from the due date of the tax until paid or deposited with the department, and all refunded taxes, except as otherwise specifically provided [or except as provided in s. 71.74(2)(d)], bear interest at the rate of 9% per year from the due date of the return to the date on which the refund is certified on the refund rolls.

✓ Section 139.25(1) Unpaid taxes shall bear interest at the rate of 12% per year from the due date of the tax until paid or deposited with the department, and all refunded

taxes, except as otherwise specifically provided [or except as provided in s. 71.74(2)(d)], bear interest at the rate of 9% per year from the due date of the return to the date on which the refund is certified on the refund rolls.

Section 139.44(9) Unpaid taxes shall bear interest at the rate of 12% per year from the due date of the tax until paid or deposited with the department, and all refunded taxes, except as otherwise specifically provided [or except as provided in s. 71.74(2)(d)], bear interest at the rate of 9% per year from the due date of the return to the date on which the refund is certified on the refund rolls."

4. Specify that this act takes effect on the first day of the third month after publication.

-Eliminate requirement to file Form 8 for transfers of capital stock (Income Tax):

DOR advocated for this form being a statutory requirement during a period when it was not evident what sort of information that the IRS would share with DOR. However, the IRS does, in fact, share all needed information, making this form a redundant and unnecessary requirement for taxpayers.

Drafting Instructions:

Repeal sec. 71.69, Wis. Stats.: "~~Capital stock transfers. All corporations doing business in this state shall file, on or before March 15, a statement of such transfers of its capital stock as have been made by or to residents of this state during the preceding calendar year. Such statement shall contain the name and address of the seller, date of transfer, and the number of shares of stock transferred.~~"

-Repeal Woodland Tax Law (Property Tax): The Woodland Tax Law (WTL) was a provision under which an owner of a forest land parcel of 10 to 40 acres could enroll the land for a 15 year for the purpose of growing trees for harvest. The last enrollment occurred in 1986, and the last WTL acreage payment was made in the 2000/2001 property tax year. This provision is defunct, and DOR recommends cleaning up the statutes by removing obsolete references.

Drafting Instructions:

1. Repeal Sec. 77.16, Wis. Stats.
2. Amend sec. 77.17, Wis. Stats. as follows: "Contracts for land in the lower Wisconsin state riverway. An owner of timber that is exempt under s. 30.44 (3) (c) 1. shall comply with a rule regulating timber cutting and harvesting promulgated under s. 30.42 (1) (d): (1) If the rule is not inconsistent with the contract entered into under s. 77.03 ~~or 77.16 (4)~~; or (2) If the owner agrees to modify the contract entered into under s. 77.03 ~~or 77.16 (4)~~ to require compliance with the rules.
3. Amend sec. 77.91 (3m), Wis. Stats. as follows: "REPORT TO LEGISLATURE. Beginning with calendar year 1992, the department shall calculate for each calendar year whether the amount of land exempt from penalty or tax under s. 77.10 (2) (c), ~~77.16 (11m)~~ or 77.88 (8) that is withdrawn during that calendar year under s. 77.10 or 77.88 ~~or declassified or withdrawn under s. 77.16 (7)~~ exceeds 1% of the total amount of land that is subject to contracts under subch. I or subject to orders under this subchapter on December 31 of that calendar year. If the amount of withdrawn or classified land that is so exempt exceeds 1%, the department shall make a report of its calculations to the governor and the chief clerk of each house

of the legislature for distribution to the appropriate standing committees under s. 13.172 (3)."

4. Amend sec. 74.25 (1) (a) 8., Wis. Stats. as follows: 74.25 "Special assessments, special charges and special taxes. 8. Retain for the taxation district ~~all woodland tax law collections under s. 77.16~~ and 80% of collections of the taxes imposed under ss. 77.04 and 77.84 (2) (a) and (am).
5. Amend sec. 74.30 (1) (h), Wis. Stats. as follows: (1) FEBRUARY SETTLEMENT. On or before February 20, the taxation district treasurer shall do all of the following: (h) Retain for the taxation district ~~all woodland tax law collections under s. 77.16~~ and 80% of collections of the taxes imposed under ss. 77.04 and 77.84 (2) (a) and (am).

261
-Modify DOR property tax publication requirements (Property Tax). Under Sec. 73.03(54), Wis. Stats., the Department of Revenue (DOR) is required to publish material on how to appeal an assessment. The statute also requires DOR to distribute the material to taxation districts. DOR currently posts the instructional materials on the Internet for taxation districts and believes this posting is more than sufficient for taxation districts to view and print in lieu of a paper distribution from DOR.

Drafting Instructions:

Amend sec. 73.03(54), Wis. Stats., as follows. "To publish instructional material that provides information to persons who wish to object to valuations under s. 70.47 and to distribute make that material available ~~in sufficient quantity~~ to taxation districts."

-Provide a More Accepting Appeals Deadline (Property Tax): Until a recent ruling by the Tax Appeals Commission (TAC), the Board of Assessors was allowed to accept appeals to manufacturing assessments that were postmarked within 60 days of the issuance of the notice of assessment. The TAC ruled that the Board of Assessors must have the appeal within the 60 days, and a postmark before the deadline was insufficient to make the appeal timely. DOR recommends clarifying existing law to allow appeals postmarked before the deadline to be considered timely.

Drafting Instructions:

- ✓ 1. Amend sec. 70.995(8), Wis. Stats. as follows: "The secretary of revenue shall establish a state board of assessors, which shall be comprised of the members of the department of revenue whom the secretary designates. The state board of assessors shall investigate any timely objection filed under par. (c) or (d) if the fee under that paragraph is paid...."
- ✓ 2. Amend sec. 70.995(8) (b) 1., Wis. Stats., as follows: "The department of revenue shall annually notify each manufacturer assessed under this section and the municipality in which the manufacturing property is located of the full value of all real and personal property owned by the manufacturer. The notice shall be in writing and shall be sent by 1st class mail or electronic mail. In addition, the notice shall specify that objections to valuation, amount, or taxability must be filed with the state board of assessors within 60 days of issuance of the notice of assessment, that objections to a change from assessment under this section to assessment under s. 70.32 (1) must be filed within 60 days after receipt of the notice, that the fee under par. (c) 1. or (d) must be paid and that the objection is not filed until the fee is paid. For the

subdivision
no later than
purposes of this subsection, an objection is considered timely filed if received by the state board of assessors within 60 days after receipt of the notice, or mailed by certified mail in a properly addressed envelope, with postage duly pre-paid, which envelope is postmarked before midnight of the last day for filing. A statement shall be attached to the assessment roll indicating that the notices..."

- C. 1 x 2
3. Amend sec. 70.995 (8) (d) as follows: "A municipality may file an objection with the state board of assessors to the amount, valuation, or taxability under this section or to the change from assessment under this section to assessment under s. 70.32 (1) of a specific property having a situs in the municipality, whether or not the owner of the specific property in question has filed an objection. Objection shall be made on a form prescribed by the department and filed with the board within the time prescribed in par. (b) 1. ~~60 days of the date of the issuance of the assessment in question.~~ If the person assessed files an objection and the municipality affected does not..."

no later than
the time provided
for a timely objection under par. (b) 1.

LRB

Research (608-266-0341)

Library (608-266-7040)

Legal (608-266-3561)

LRB

2/27/13 Telephone conference with Mike Wagner, DOR

Based on email in drafting file (13-0225) Mike had reviewed budget draft on this issue. However he didn't remember reviewing it.

We talked through the different types of games - online and instant - and what deadline should apply to each. For online games there is a drawing but no end date, so deadline should be 180 days after drawing. For instant games there is an end date but no drawing, so deadline should be 180 days after end date.

He mentioned another game (Holiday raffle) that doesn't really belong as online or instant. People buy tickets then there is a raffle drawing. ^{and no end date} Deadline should be 180 days after drawing.

I explained structure of budget draft: catch-all with deadline 180 days after selection, and exception for instant or scratch off games with deadline 180 days after end date. He said this would work.



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-17307

JK&EHS:....

Due Friday

JLD + KJF RLM R

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

in 3-6-13 DN

✓ Gen Insert 1-1 ✓

1 AN ACT ...; relating to: motor vehicle fuel bulk plants, repealing the woodland
2 tax, property tax publications, deposits on pending field audits, manufacturing
3 property tax assessment objections, and reporting capital stock transfers

Analysis by the Legislative Reference Bureau

Insert A-1 ✓
Claiming lottery prizes

Motor vehicle fuel bulk plant

Insert A-3 ✓
Woodland tax

Property tax publications

Deposits on pending field audits

This bill allows a taxpayer who is subject to a field audit by DOR ✓ to submit a deposit to DOR of the estimated amount of additional, taxes, penalties, and interest that may result from the audit. The deposit stops interest from accruing on the additional amount. Under the bill, after DOR makes its final determination on the field audit, DOR will pay a refund to the taxpayer of any amount of the deposit that exceeds the additional tax, but will not pay interest on that amount. ✓

Objections to manufacturing property tax assessments

Under current law, generally, a taxpayer must file an objection to the person's manufacturing property tax assessment with the state board of assessors within ✓ 60 days from receiving the assessment notice. This bill provides that a objection is timely filed if it is received by the state board of assessors no later than 60 ✓ days after

✓
LPS-
check
for mark-
relating
clause

receiving the notice or sent to the state board of assessors by certified mail in a properly addressed envelope, with postage paid, that is postmarked before midnight of the last day for filing.✓

Under current law, interest is not imposed on an underpayment of income taxes that is less than \$200.✓ Under the bill, interest is not imposed on an underpayment of income taxes that is less than \$500.✓

Capital stock transfers

This bill eliminates the requirement that corporations doing business in this state file a statement with DOR[✓] that discloses all capital stock transfers made by or to state residents during the preceding year. DOR currently receives this information from the federal Internal Revenue Service.✓

X-SPC → Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the **state** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 SECTION 1. 70.995[✓] (8) (a) of the statutes is amended to read:

2 70.995 (8) (a) The secretary of revenue shall establish a state board of
3 assessors, which shall be comprised of the members of the department of revenue
4 whom the secretary designates. The state board of assessors shall investigate any
5 timely✓ objection filed under par. (c) or (d) if the fee under that paragraph is paid. The
6 state board of assessors, after having made the investigation, shall notify the person
7 assessed or the person's agent and the appropriate municipality of its determination
8 by 1st class mail or electronic mail. Beginning with objections filed in 1989, the state
9 board of assessors shall make its determination on or before April 1 of the year after
10 the filing. If the determination results in a refund of property taxes paid, the state
11 board of assessors shall include in the determination a finding of whether the refund
12 is due to false or incomplete information supplied by the person assessed. The person
13 assessed or the municipality having been notified of the determination of the state

board of assessors shall be deemed to have accepted the determination unless the person or municipality files a petition for review with the clerk of the tax appeals commission as provided in s. 73.01 (5) and the rules of practice promulgated by the commission. If an assessment is reduced by the state board of assessors, the municipality affected may file an appeal seeking review of the reduction, or may, within 30 days after the person assessed files a petition for review, file a cross-appeal, before the tax appeals commission even though the municipality did not file an objection to the assessment with the board. If the board does not overrule a change from assessment under this section to assessment under s. 70.32 (1), the affected municipality may file an appeal before the tax appeals commission. If an assessment is increased by the board, the person assessed may file an appeal seeking review of the increase, or may, within 30 days after the municipality files a petition for review, file a cross-appeal, before the commission even though the person did not file an objection to the assessment with the board.

History: 1973 c. 90, 283, 333; 1975 c. 39, 144, 199, 200, 213, 224; 1977 c. 29 ss. 776 to 782, 1646 (3), 1647 (5m), 1656 (38); 1977 c. 31, 142, 272; 1977 c. 300 ss. 7, 8; 1977 c. 328, 377, 418, 447; 1979 c. 34 ss. 883m, 2102 (39) (g); 1979 c. 221; 1981 c. 20; 1983 a. 27; 1983 a. 275 s. 15 (8); 1985 a. 29; 1985 a. 120 s. 3202 (46); 1987 a. 27, 196, 399; 1989 a. 31; 1991 a. 39, 269; 1993 a. 307, 391; 1995 a. 227, 408; 1997 c. 35, 237, 250; 1999 a. 32; 2001 a. 16, 109; 2003 a. 33, 170.

SECTION 2. 70.995 (8) (b) 1. of the statutes is amended to read:

70.995 (8) (b) 1. The department of revenue shall annually notify each manufacturer assessed under this section and the municipality in which the manufacturing property is located of the full value of all real and personal property owned by the manufacturer. The notice shall be in writing and shall be sent by 1st class mail or electronic mail. In addition, the notice shall specify that objections to valuation, amount, or taxability must be filed with the state board of assessors within no later than 60 days ~~of~~ [✓] ~~after~~ [✓] issuance of the notice of assessment, that objections to a change from assessment under this section to assessment under s. 70.32 (1) must be filed within no later than 60 days [✓] after receipt of the notice, that

1 the fee under par. (c) 1. or (d) must be paid and that the objection is not filed until
2 the fee is paid. For purposes of this subdivision, an objection is considered timely
3 filed if received by the state board of assessors no later than 60 days after receiving
4 the notice or sent to the state board of assessors by certified mail in a properly
5 addressed envelope, with postage paid, that is postmarked before midnight of the
6 last day for filing. A statement shall be attached to the assessment roll indicating
7 that the notices required by this section have been mailed and failure to receive the
8 notice does not affect the validity of the assessments, the resulting tax on real or
9 personal property, the procedures of the tax appeals commission or of the state board
10 of assessors, or the enforcement of delinquent taxes by statutory means.

History: 1973 c. 90, 283, 333; 1975 c. 39, 144, 199, 200, 213, 224; 1977 c. 29 ss. 776 to 782, 1646 (3), 1647 (5m), 1656 (38); 1977 c. 31, 142, 272; 1977 c. 300 ss. 7, 8; 1977 c. 328, 377, 418, 447; 1979 c. 34 ss. 883m, 2102 (39) (g); 1979 c. 221; 1981 c. 20; 1983 a. 27; 1983 a. 275 s. 15 (8); 1985 a. 29; 1985 a. 120 s. 3202 (46); 1987 a. 27, 196, 399; 1989 a. 31; 1991 a. 39, 269; 1993 a. 307, 391; 1995 a. 227, 408; 1997 a. 35, 237, 250; 1999 a. 32; 2001 a. 16, 109; 2003 a. 33, 170.

11 **SECTION 3. 70.995 (8) (c) 2. of the statutes is amended to read:**

12 70.995 (8) (c) 2. A manufacturer who files an objection under subd. 1. may file
13 supplemental information to support the manufacturer's objection within no later
14 than 60 days from the date the objection is filed. The state board of assessors shall
15 notify the municipality in which the manufacturer's property is located of
16 supplemental information filed by the manufacturer under this subdivision, if the
17 municipality has filed an appeal related to the objection.

History: 1973 c. 90, 283, 333; 1975 c. 39, 144, 199, 200, 213, 224; 1977 c. 29 ss. 776 to 782, 1646 (3), 1647 (5m), 1656 (38); 1977 c. 31, 142, 272; 1977 c. 300 ss. 7, 8; 1977 c. 328, 377, 418, 447; 1979 c. 34 ss. 883m, 2102 (39) (g); 1979 c. 221; 1981 c. 20; 1983 a. 27; 1983 a. 275 s. 15 (8); 1985 a. 29; 1985 a. 120 s. 3202 (46); 1987 a. 27, 196, 399; 1989 a. 31; 1991 a. 39, 269; 1993 a. 307, 391; 1995 a. 227, 408; 1997 a. 35, 237, 250; 1999 a. 32; 2001 a. 16, 109; 2003 a. 33, 170.

18 **SECTION 4. 70.995 (8) (d) of the statutes is amended to read:**

19 70.995 (8) (d) A municipality may file an objection with the state board of
20 assessors to the amount, valuation, or taxability under this section or to the change
21 from assessment under this section to assessment under s. 70.32 (1) of a specific
22 property having a situs in the municipality, whether or not the owner of the specific
23 property in question has filed an objection. Objection shall be made on a form

1 prescribed by the department and filed with the board within 60 days of the date of
2 ~~the issuance of the assessment in question~~ the time prescribed in par. (b) 1.✓ If the
3 person assessed files an objection and the municipality affected does not file an
4 objection, the municipality affected may file an appeal to that objection within 15
5 days after the person's objection is filed. A \$45 filing fee shall be paid when the
6 objection is filed unless a fee has been paid in respect to the same piece of property
7 and that appeal has not been finally adjudicated. The objection is not filed until the
8 fee is paid. The board shall forthwith notify the person assessed of the objection filed
9 by the municipality.

History: 1973 c. 90, 283, 333; 1975 c. 39, 144, 199, 200, 213, 224; 1977 c. 29 ss. 776 to 782, 1646 (3), 1647 (5m), 1656 (38); 1977 c. 31, 142, 272; 1977 c. 300 ss. 7, 8; 1977 c. 328, 377, 418, 447; 1979 c. 34 ss. 883m, 2102 (39) (g); 1979 c. 221; 1981 c. 20; 1983 a. 27; 1983 a. 275 s. 15 (8); 1985 a. 29; 1985 a. 120 s. 3202 (46); 1987 a. 27, 196, 399; 1989 a. 31; 1991 a. 39, 269; 1993 a. 307, 391; 1995 a. 227, 408; 1997 a. 35, 237, 250; 1999 a. 32; 2001 a. 16, 109; 2003 a. 33, 170.

10 **SECTION 5.** 71.09 (11) (a) of the statutes is amended to read:

11 71.09 (11) (a) The tax shown on the return or, if no return is filed, the tax, minus
12 amounts withheld under subch. X, is less than ~~\$200~~ \$500.✓

History: 1987 a. 312, 411; 1989 a. 31; 1993 a. 16, 209; 1997 a. 27; 2009 a. 28; 2011 a. 68.

13 **SECTION 6.** 71.69 of the statutes is repealed.

14 **SECTION 7.** 71.74 (2) (d) ✓ of the statutes is created to read:

15 71.74 (2) (d) At any time while the department is conducting a field audit, but
16 before the department issues a final determination, ✓ the taxpayer may make a deposit
17 with the department for all or any portion of the estimated amount of additional
18 taxes, penalties, and interest that may result from the field audit. ✓ Amounts that a
19 taxpayer deposits under this paragraph ✓ are subject to interest, as provided under s.
20 71.82, ✓ only to the extent of the interest accrued up to the date of the deposit. After
21 the taxpayer makes the deposit, the department shall not pay a refund to the
22 taxpayer for any portion of the deposit until the field audit's final determination.
23 After the field audit's final determination, ✓ the department shall pay a refund to the

Inserts 6-3 A & B ✓

1 taxpayer in an amount equal to amount of the deposit that exceeds any additional
2 amount due to the department as a result of the field audit. ✓ No interest shall be paid
3 on any refund under this paragraph. ✓

4 **SECTION 8.** 77.59 (2) [✓] of the statutes is renumbered 77.59 (2) (a).

5 **SECTION 9.** 77.59 (2) (b) of the statutes is created to read:

6 77.59 (2) (b) At any time while the department is conducting a field audit, ✓ but
7 before the department issues a final determination, the taxpayer may make a deposit
8 with the department for all or any portion of the estimated amount of additional
9 taxes, penalties, and interest that may result from the field audit. ✓ Amounts that a
10 taxpayer deposits under this paragraph ✓ are subject to interest, as provided under s.
11 77.60, ✓ only to the extent of the interest accrued up to the date of the deposit. After
12 the taxpayer makes the deposit, the department shall not pay a refund to the
13 taxpayer for any portion of the deposit until the field audit's final determination.
14 After the field audit's final determination, the department shall pay a refund to the
15 taxpayer in an amount equal to amount of the deposit that exceeds any additional
16 amount due to the department as a result of the field audit. ✓ No interest shall be paid
17 on any refund under this paragraph.

18 **SECTION 10.** 77.60 [✓] (1) (a) of the statutes is amended to read:

19 77.60 (1) (a) Except as provided in par. (b), unpaid taxes shall bear interest at
20 the rate of 12% per year from the due date of the return until paid or deposited with
21 the department. Taxes Except as provided in s. 77.59 (2) (b), ✓ taxes refunded to the
22 seller shall bear interest at 9% per year from the due date of the return to the date
23 on which the refund is certified on the refund rolls. An extension of time within
24 which to file a return shall not extend the due date of the return for purposes of
25 interest computation. Taxes Except as provided in s. 77.59 (2) (b), ✓ taxes refunded

Inserts 7-3 A & B ✓

1 to the buyer shall bear interest at 9% per year from the last day of the month
2 following the month during which the buyer paid the tax to the date on which the
3 refund is certified on the refund rolls.

History: 1975 c. 39, 186; 1979 c. 110 s. 60 (13); 1979 c. 221, 230; 1981 c. 20; 1983 a. 27; 1985 a. 29; 1987 a. 399; 1991 a. 39, 269, 316; 1993 a. 16, 112, 408, 437; 1995 a. 27, 428; 1997 a. 237, 314; 1999 a. 9; 2009 a. 2; 2011 a. 68. ✓

4 **SECTION 11.** 78.68 (1) of the statutes is amended to read:

5 78.68 (1) Unpaid taxes shall bear interest at the rate of 12% per year from the
6 due date of the tax until paid or deposited with the department, ~~and all.~~ All refunded
7 taxes bear interest at the rate of 9% per year from the due date of the return to the
8 date on which the refund is certified on the refund rolls, except that s. 71.74 (2) (d),
9 as it applies to refunds and interest related to field audits under ch. 71,
10 refunds and interest related to field audits under this chapter. ✓

History: 1973 c. 333; 1977 c. 29, 289, 418; 1981 c. 20; 1983 a. 68; 1987 a. 399; 1991 a. 39; 1993 a. 16, 112, 205, 437; 2011 a. 68. ✓

11 **SECTION 12.** 139.25 (1) of the statutes is amended to read:

12 139.25 (1) INTEREST AND PENALTIES. Unpaid taxes bear interest at the rate of
13 12% per year from the due date of the return until paid or deposited with the
14 department, ~~and all.~~ All refunded taxes bear interest at the rate of 9% per year from
15 the due date of the return to the date on which the refund is certified on the refund
16 rolls, except that s. 71.74 (2) (d), as it applies to refunds and interest related to field
17 audits under ch. 71,
18 subchapter. ✓

History: 1977 c. 418 s. 924 (18) (e); 1985 a. 120; 1987 a. 399; 2011 a. 68. ✓

19 **SECTION 13.** 139.44 (9) of the statutes is amended to read:

20 139.44 (9) Unpaid taxes bear interest at the rate of 12% per year from the due
21 date of the return until paid or deposited with the department, ~~and all.~~ All refunded
22 taxes bear interest at the rate of 9% per year from the due date of the return to the
23 date on which the refund is certified on the refund rolls, except that s. 71.74 (2) (d),

Insert 8-2 ✓

- 1 as it applies to refunds and interest related to field audits under ch. 71, applies to ✓
2 refunds and interest related to field audits under this subchapter.

History: 1981 c. 20; 1983 a. 63; 1985 a. 302; 1987 a. 399; 1989 a. 31; 1993 a. 16; 1997 a. 27, 283; 2001 a. 109.

3 **SECTION 14. Effective date.**

- 4 (1) FIELD AUDITS; REFUNDS. The treatment of sections 71.74 (2) (d), 77.52 (2) (a)
5 and (b), 77.60 (1) (a), 78.68 (1), 139.25 (1), and 139.44 (9) of the statutes takes effect
6 on the first day of the 3rd month beginning after publication. ✓

7 (END)

, the renumbering of section 77.59 (2) of the statutes, and the creation of section 77.59 (2)(b) of the statutes

D-note
↓

LPS-Inserts
Out of order

2013-2014 DRAFTING INSERT
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1730/ins
EHS:.....

1

~~EHS INSERT RELATING CLAUSE~~ Insert 1-1

2

deadlines for claiming lottery prizes

3

~~EHS INSERT ANALYSIS~~

Insert A-1

Under current law, a person holding a winning lottery ticket may claim his or her prize within 180[✓] days after the drawing or other selection in which the prize is won or within 180 days after the game's end date, whichever is later. A game's end date is determined by the administrator of the Lottery Division of ~~DOH~~ the Department of Revenue (DOR). Under this bill, the deadline for claiming a lottery prize is different for instant or scratch-off games than for other lottery games. The holder of a winning ticket for an instant or scratch-off game must claim a prize within 180[✓] days after the game's end date. (ending A-1)

4

5

EHS INSERT 1

6

SECTION 1. 565.30 (3) (a) [✓] of the statutes is renumbered 565.30 (3) (a) 1. and

7

amended to read:

8

565.30 (3) (a) 1. The Except as provided in subd. 2.[✓] the holder of a winning

9

lottery ticket or lottery share may claim a prize within 180 days after the drawing

10

or other selection in which the prize is won or.

11

2. The holder of a winning lottery ticket or lottery share for an instant game

12

or scratch-off game may claim a prize[✓] within 180 days after the game's end date, as

13

determined by the administrator,[✓] whichever is later.

14

EHS INSERT 2

15

SECTION 2. Initial applicability.

16

(1) LOTTERY PRIZE CLAIM DEADLINE. The treatment of section [✓] 565.30 (3) (a) of the

17

statutes first applies to lottery tickets purchased on the effective date of this ^{sub} section.

Insert 8-2



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-0271/P1

JK:kjf:jf

DOA:.....Byrnes, BB0042 - Modify motor vehicle fuel bulk plant definition

FOR 2013-2015 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

TAXATION

OTHER TAXATION

Under current law, for motor vehicle fuel tax purposes, a "bulk plant" means a motor vehicle fuel storage facility that is primarily used to redistribute motor vehicle fuel by transporting it in vehicles that have a capacity of 4,200 gallons or less. The motor vehicle fuel tax is imposed on any person who imports motor vehicle fuel from a bulk plant in a vehicle that carries no more than 4,200 gallons to a destination that is no more than 25 miles from this state's border. A wholesale distributor who exports motor vehicle fuel from a bulk plant in a vehicle that carries no more than 4,200 gallons to a destination that is no more than 25 miles from this state's border is exempt from paying the motor vehicle fuel tax.

This bill eliminates the gallon capacity and mileage limits from the provisions related to motor vehicle fuel redistributed from bulk plants. Under the bill, the motor vehicle fuel tax is imposed on any person who imports motor vehicle fuel from a bulk plant located outside of this state. A wholesale distributor who exports motor vehicle fuel from a bulk plant to a destination outside of this state is exempt from paying the motor vehicle fuel tax. (end ins A-2)

Because this bill relates to an exemption from state or local taxes, it may be referred to the Joint Survey Committee on Tax Exemptions for a report to be printed as an appendix to the bill.

For further information see the ~~state~~ fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 78.005 (3)[✓] of the statutes is amended to read:

2 78.005 (3) "Bulk plant" means a motor vehicle fuel storage facility, other than
3 a terminal, that is primarily used to redistribute motor vehicle fuel by [✓]transporting
4 it in vehicles that have a capacity of 4,200 gallons or less.

5 **SECTION 2.** 78.09 (6)[✓] of the statutes is amended to read:

6 78.09 (6) Subject to gallonage limits and other conditions established by the
7 department, the department shall provide for the payment of the tax imposed by this
8 subchapter by a person importing motor vehicle fuel from a bulk plant in a vehicle
9 capable of carrying not more than 4,200 gallons if the destination of that vehicle is
10 no more than 25 miles from the border located outside of this state.[✓]

11 **SECTION 3.** 78.09 (7)[✓] of the statutes is amended to read:

12 78.09 (7) Subject to gallonage limits and other conditions established by the
13 department, the department shall provide for export by and the certification for
14 exemption from the tax imposed by this subchapter to a wholesale distributor
15 exporting motor vehicle fuel out of a bulk plant in a vehicle capable of carrying not
16 more than 4,200 gallons if the to a destination of that vehicle is no more than 25 miles
17 from the border outside of this state.[✓]

18

~~END~~

Insert 7-3 B



State of Wisconsin
2013 - 2014 LEGISLATURE



LRB-0262/P1

JK:jld:rs

DOA:.....Quinn, BB0019 - Repeal Woodland tax

FOR 2013-2015 BUDGET — NOT READY FOR INTRODUCTION

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

TAXATION

OTHER TAXATION

Prior to January 1, 1986, a person who owned ten or more acres of land could apply to (DNR) to have the land placed into the woodland tax law program. If DNR found that the land was suitable for growing timber or other forest products, and not more suitable for other purposes, DNR would approve the application. In exchange for paying a lower per acre property tax rate than the local general property tax rate, the property owner agreed to follow a woodland management plan approved by DNR. Under current law, as of January 1, 1986, DNR cannot approve any new application, or renew any agreement, to place land into the woodland tax law program. This bill eliminates the woodland tax law program. (end ins A-3)

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows.

2

SECTION 1. 74.25 (1) (a) 8. of the statutes is amended to read:

74.25 (1) (a) 8. Retain for the taxation district ~~all woodland tax law collections~~
~~under s. 77.16 and~~ 80% of collections of the taxes imposed under ss. 77.04 and 77.84
(2) (a) and (am).

SECTION 2. 74.30 (1) (h) of the statutes is amended to read:

74.30 (1) (h) Retain for the taxation district ~~all woodland tax law collections~~
~~under s. 77.16 and~~ 80% of collections of the taxes imposed under ss. 77.04 and 77.84
(2) (a) and (am).

SECTION 3. 77.16 of the statutes is repealed.

SECTION 4. 77.17 (1) of the statutes is amended to read:

77.17 (1) If the rule is not inconsistent with the contract entered into under s.
77.03 ~~or 77.16 (4);~~ or

SECTION 5. 77.17 (2) of the statutes is amended to read:

77.17 (2) If the owner agrees to modify the contract entered into under s. 77.03
~~or 77.16 (4)~~ to require compliance with the rules.

SECTION 6. 77.91 (3m) of the statutes is amended to read:

77.91 (3m) REPORT TO LEGISLATURE. Beginning with calendar year 1992, the
department shall calculate for each calendar year whether the amount of land
exempt from penalty or tax under s. 77.10 (2) (c), ~~77.16 (11m)~~ or 77.88 (8) that is
withdrawn during that calendar year under s. 77.10 or 77.88 ~~or declassified or~~
~~withdrawn under s. 77.16 (7)~~ exceeds 1% of the total amount of land that is subject
to contracts under subch. I or subject to orders under this subchapter on December
31 of that calendar year. If the amount of withdrawn or classified land that is so
exempt exceeds 1%, the department shall make a report of its calculations to the

End of Insert
6-3 B

Insert
7-3 A

- 1 governor and the chief clerk of each house of the legislature for distribution to the
- 2 appropriate standing committees under s. 13.172 (3).

3

~~END~~

End of Insert 7-3A